



CITY OF LODI

COUNCIL COMMUNICATION

AGENDA TITLE: Purchase of 20,000 feet of 750Kcmil 15kV Primary Underground Cable (\$67,236.00)

MEETING DATE: August 19, 1998

PREPARED BY: Electric Utility Director

RECOMMENDED ACTION: That the City Council adopt the attached resolution awarding the bid for the purchase of 20,000 feet of #750Kcmil 15kV primary underground conductor to the low bidder, Pirelli Cables of Colusa, California, in the amount of \$67,236.00.

BACKGROUND INFORMATION: On July 15, 1998, the City Council approved specifications and authorized advertisement for bids.

Bid instructions requested that bidders submit both firm prices and prices subject to change based on the spot prices of copper and aluminum at the time of shipment. A summary of the bids received and opened on August 5, 1998 is attached as Exhibit A.

Staff recommends purchasing the cable from Pirelli at their firm prices. Although both aluminum and copper prices are currently near their 12-month lows, metals prices would need to increase only about 7% and 10% for aluminum and copper (respectively) in the next 8 weeks (Pirelli's delivery leadtime) to have the lower variable prices eventually exceed the firm prices. This possible escalation in the cost of metals (and subsequent increase in the final purchase price of the cable) is a risk that staff prefers not to take.

This conductor is needed to replace the 17,000 feet of cable used to reconstruct two failed system feeders in the Ham Lane / Brandywine area during June, 1998.

FUNDING: Electric Utility Department Operating Fund, Page E-22

A handwritten signature in black ink, appearing to read "Alan N. Vallow".

Alan N. Vallow, Electric Utility Director

Funding Approved:

A handwritten signature in black ink, appearing to read "Vicky McMathie".
Vicky McMathie, Finance Director

Prepared by Joel Harris, Purchasing Officer

cc: Director, Engineering and Operations

APPROVED: _____

A handwritten signature in black ink, appearing to read "H. Dixon Flynn".
H. Dixon Flynn -- City Manager

EXHIBIT A

SUMMARY OF BIDS
AUGUST 5, 1998
#750Kcmil 15Kv CONDUCTOR
B-2890
Page 1

	PIRELLI	BICC CABLES	WESCO	PLATT	GRAYBAR	INTRALINE	J.A.M. SERVICES	HERNING U'GRND
20,000 ft #750kcmil Option A - Firm Prices	\$3,120.00/M'	\$3,229.00/M'	\$3,583.00/M'	NO BID	\$3,627.27/M'	\$4,140.00/M'	NO BID	NO BID
TOTAL, DEL'D	\$67,236.00	\$69,584.95	\$77,213.65¹		\$78,167.67²	\$89,217.00		
20,000 ft. #750kcmil Option B - Variable	\$3,061.00/M'	\$3,142.00/M'	\$3,583.00/M'	\$3,589.00/M'	NO BID	NO BID	NO BID	NO BID
TOTAL, DEL'D	\$65,964.55	\$67,710.19	\$77,213.65	\$77,342.95				
METALS PRICES:								
Aluminum	\$.6600/lb	\$.6586/lb	\$.6387/lb	\$.6387/lb				
Copper	\$.7780/lb	\$.7655/lb	\$.7490/lb	\$.7490/lb				
METALS WT/1000':								
Aluminum	700.3#	704.0#	Not Indicated	790.0				
Copper	516.9#	510.0#	Not Indicated	540.0				
DEL'Y (Weeks ARO)	8	13	16-18	16-18	16-18	10		
TERMS	NET 30	NET 30	NET 30	NET 30	Not Indicated	NET 30		
MANUFACTURER	PIRELLI	BICC	SOUTHWIRE	SOUTHWIRE	Not Indicated	MONTEREY		

Footnotes:

1. Price valid only if order is placed by August 7, 1998.
2. Price valid only if order is placed by August 10, 1998.

RESOLUTION NO. 98-124

A RESOLUTION OF THE LODI CITY COUNCIL
AWARDING THE BID FOR THE PURCHASE OF 20,000
FEET OF 750 Kcmil 15kV PRIMARY UNDERGROUND
CABLE

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WHEREAS, in answer to notice duly published in accordance with law and the order of this City Council, sealed bids were received and publicly opened on August 5, 1998, at 11:00 a.m. for the purchase of 20,000 feet of 750 Kcmil 15kV Primary Underground Cable, described in the specifications, therefore approved by the City Council on July 15, 1998; and

WHEREAS, said bids have been compared, checked, and tabulated and a report thereof filed with the City Manager as shown on Exhibit A attached hereto and made a part of this Resolution; and

WHEREAS, the City Manager recommends award of the bid for the purchase of 20,000 feet of 750 Kcmil 15kV Primary Underground Cable to the lowest bidder, Pirelli Cables of Colusa, California.

NOW, THEREFORE, BE IT RESOLVED by the Lodi City Council that the award of the bid for the purchase of 20,000 feet of 750 Kcmil 15kV Primary Underground Cable, be and the same is hereby awarded to Pirelli Cables of Colusa, California, the lowest bidder, in the amount of \$67,236.00.

Dated: August 19, 1998

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I hereby certify that Resolution No. 98-124 was passed and adopted by the City Council of the City of Lodi in a regular meeting held August 19, 1998, by the following vote:

AYES: COUNCIL MEMBERS - Johnson, Land, Mann, Pennino and
Sieglock (Mayor)

NOES: COUNCIL MEMBERS - None

ABSENT: COUNCIL MEMBERS - None

ABSTAIN: COUNCIL MEMBERS - None


for JENNIFER M. REIMCHE
City Clerk

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AUGUST 5, 1998
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B-2890
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